

Small-Cap Stock Fund

NET ASSET VALUE
\$27.34

TICKER SYMBOL
OTCFX

Portfolio Performance

June 30, 2008	Expense Ratio	One Month	Three Months	Year-to-Date	One Year	Annualized		
						Three Years	Five Years	Ten Years
Small-Cap Stock Fund (%)	0.89	-7.60	0.85	-10.04	-17.63	2.98	8.90	6.74
Russell 2000 Index (%)	—	-7.70	0.58	-9.37	-16.19	3.79	10.29	5.53

The fund's total return figures include changes in principal value, reinvested dividends, and capital gain distributions. The fund's expense ratio is as of its fiscal year ended 12/31/07.

Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will vary and you may have a gain or loss when you sell your shares. For the most recent month-end performance or to request a prospectus, which includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing, please call 1-800-638-7780 or visit our Web site at troweprice.com.

Top Ten Holdings

Comprising 12.0% of total holdings as of June 30, 2008

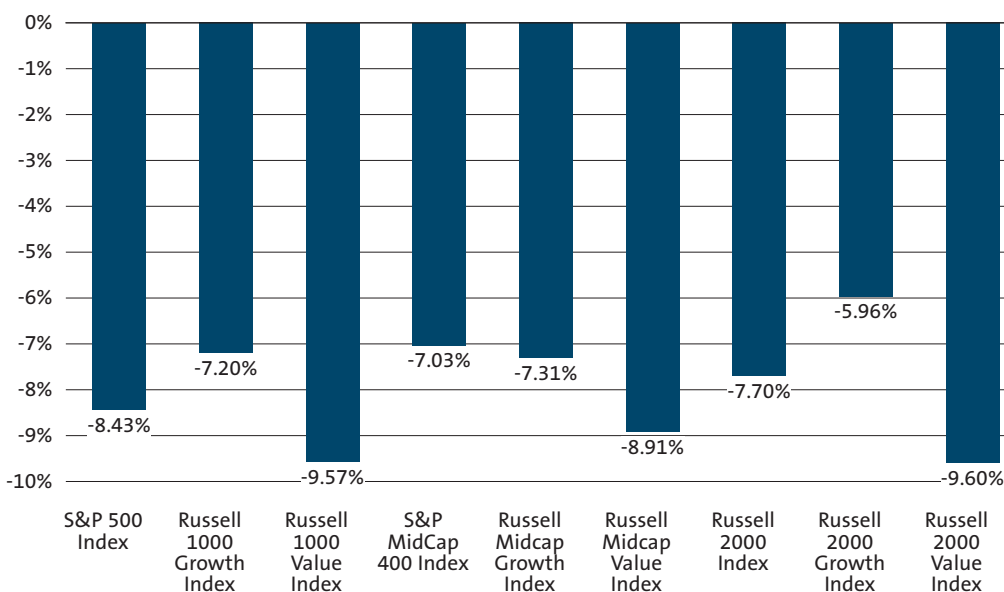
Actuant Corp Machinery
Baldor Electric Co Electrical Equipment
Bill Barrett Oil, Gas & Consumable Fuels
ESCO Technologies Inc Machinery
Factset Research Systems Inc Software
Forest Oil Corp Oil, Gas & Consumable Fuels
Jack Henry & Associates Inc Software
Mariner Energy Inc Oil, Gas & Consumable Fuels
SEACOR Holdings Inc Energy Equipment & Services
Sunrise Senior Living Inc Health Care Providers & Services

Portfolio Characteristics

As of June 30, 2008	Small-Cap Stock Fund	Russell 2000 Index
Number of Holdings	283	2,000
Investment Weighted Median Market Cap (\$mm)	1,287	942
P/E Ratio (12 months forward)*	14.7x	14.6x
Price to Book Ratio (Last 12 months)*	2.6x	2.2x
Projected Earnings Growth Rate (IBES)*	14.5%	15.0%
Return on Equity (Last 12 months excl. charges)*	12.4%	11.7%
Top 20 Holdings as Percent of Total	20.5%	5.0%
Percent of Portfolio in Cash	7.9%	—
*Investment Weighted Median		

Market Performance

For the month ended June 30, 2008



Key Statistics

Five Years Ended June 30, 2008	Small-Cap Stock Fund	Russell 2000 Index
Standard Deviation	12.60	14.26
Beta	0.87	1.00
Alpha	-0.44	0.00
Sharpe Ratio	0.46	0.50
Information Ratio	-0.20	0.00
R-Squared	0.96	1.00
Tracking Error	3.23	0.00

Figures are calculated using monthly data and are net of fees.

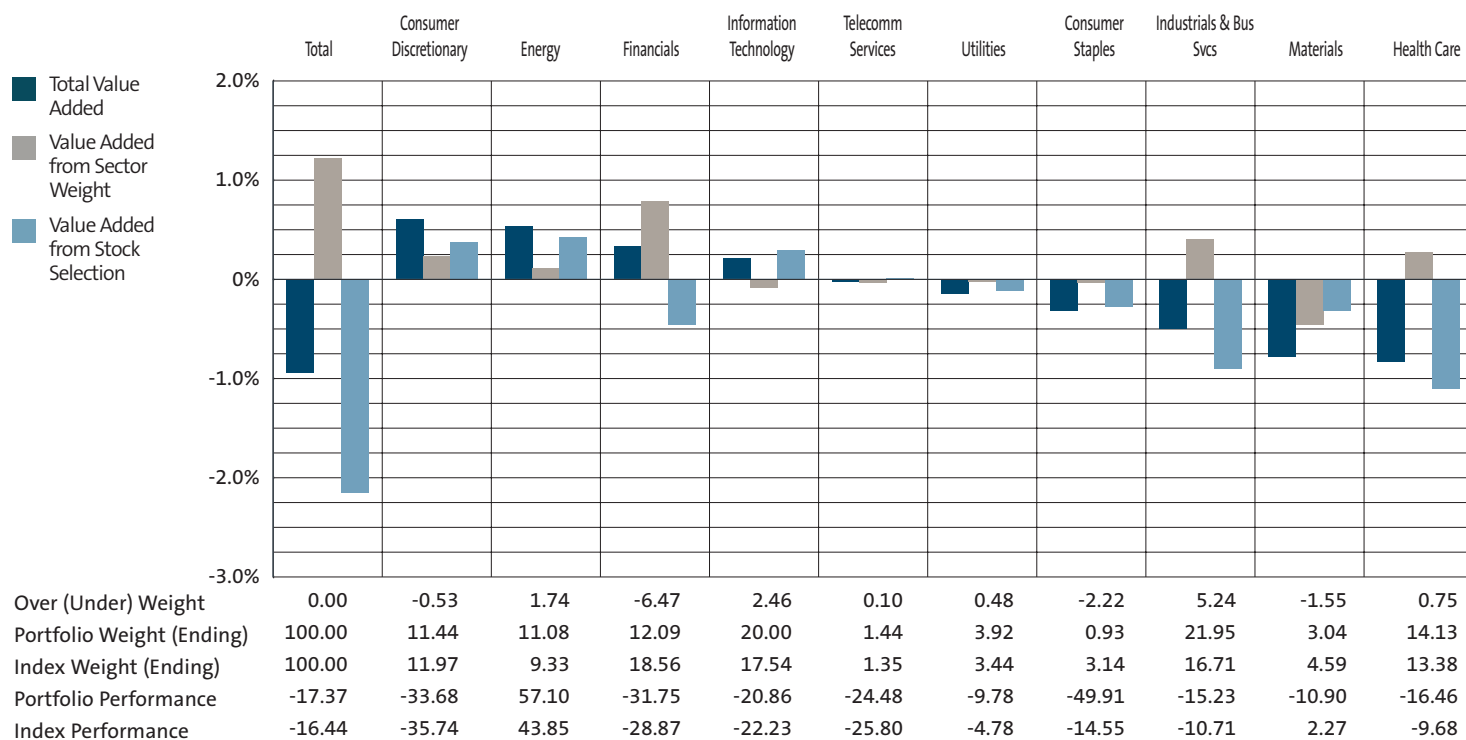
Investing in small companies involves greater risk than is customarily associated with larger companies, since small companies often have limited product lines, markets, or financial resources.

Attribution Analysis

The Small-Cap Stock Fund slightly trailed the Russell 2000 Index for the 12-month period ended June 30, 2008. Sector weightings - a result of our bottom-up stock selection process - had a positive impact, while stock selection detracted. Stock selection and an underweight position were beneficial in the consumer discretionary sector, which has been hampered by higher fuel costs and declining home values. Our positions were helpful in several industries, including hotels, restaurants, & leisure, Internet and catalog retail, and media. Energy stocks posted stellar performance as oil prices continued their upward climb, and stock selection was positive. Our holdings continue to experience high global demand. An underweight position was helpful in the beleaguered financials sector, where our holdings in thrifts and mortgage finance added relative value. Health care stock selection was the primary source of relative weakness, as our positions in health care providers and services and pharmaceuticals detracted. While materials stocks outperformed yet again, stock selection and an underweight position detracted. Our positions in containers and packaging had a negative impact.

Attribution Data

Relative to the Russell 2000 Index for the 12 months ended June 30, 2008



Numbers may not add to 100% due to rounding; all numbers are percentages. Analysis represents the equity-only performance of the portfolio as calculated by the Wilshire Atlas attribution model, and is exclusive of cash, trusts, mutual funds, de-listed securities and other non-equity holdings. Returns will not match official TRP performance because Wilshire uses different pricing and exchange rate sources and does not capture intra-day trading or fair-value pricing. Returns in US Dollars. Source: Wilshire Atlas, MSCI/S&P GICS Sectors; Analysis by T. Rowe Price Associates, Inc. T. Rowe Price uses the MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. Effective September 1 of each year, MSCI and S&P make changes to the GICS structure. T. Rowe Price will adhere to all future updates to GICS for prospective reporting. Figures are shown gross of fees. Past performance cannot guarantee future results.